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STATE FOR WHA/BSC, PM/RSAT--BURNETT, WHA/PPA PENTAGON FOR OSD--KRISTI HUNT

E.O. 12958: DECL: 03/13/2019 TAGS: PGOV PREL MASS KPAO CI SUBJECT: FOREIGN MINISTER'S S

SUBJECT: FOREIGN MINISTER'S SURPRISE DEPARTURE LEADS TO

CABINET SHUFFLE

REF: A. SANTIAGO 244

_B. SANTIAGO 182

Classified By: Political Officer Jennifer Spande for reason 1.4 (b).

11. (C) SUMMARY: Former Foreign Minister Alejandro Foxley stepped down on March 12 after three years in office in a move that took the public, political insiders, and even his successor by surprise. His departure led to a small wave of other changes as the Chilean Ambassador to the U.S., Mariano Fernandez, was named to replace Foxley; Defense Minister Goni was assigned to be Ambassador in Washington; spokesman Francisco Vidal assumed Goni's seat at Defense; and Congresswoman Carolina Toha assumed Vidal's position. Commentators have linked Foxley's departure to on-going "profound differences" with President Bachelet, but it appears that Foxley had been ready to leave for some time and worked with the President to find the right moment. Meanwhile, Vidal's shift to Defense removes him from a high profile public position in which his sometimes inflammatory rhetoric could create problems for the Concertacion in an election year. End Summary.

Foxley's Departure Takes Successor and Parties by Surprise

- 12. (SBU) After three years in office, Alejandro Foxley stepped down as Foreign Minister on March 12 in a surprise announcement made by President Bachelet (Ref A). Foxley reportedly told the President in December 2008 that he wished to step down to take on "personal projects," and that his departure in March was agreed to at that time. Foxley announced he will be returning to work at the Corporation for Economic Research in Latin America (CIEPLAN, which he helped to found) to resume a pending project with former President of Brazil Fernando Henrique Cardoso.
- 13. (C) Foxley's departure caught most political leaders and pundits by surprise. The press reported that even those directly affected, such as former GOC Spokesman Francisco Vidal (now Minister of Defense) and former Minister of Defense Jose Goni (now preparing to become Ambassador to the United States) were not aware of the changes in their roles until shortly before the swearing in ceremony. Ministry of Defense advisor Juan Esteban Montes told DATT and Poloff March 13 that Goni had received a call from the President at about 10:30 am the day of the press conference. Bachelet

told Goni to come to La Moneda for the event and may or may not have told him at that point about his new post. Protocol Chief Ayala told the Ambassador on March 13 that Goni had not sought out this new position. In several conversations with the Ambassador since his new appointment, Goni has stressed the importance the President has placed on getting off to a strong start with the Obama administration, while not concealing his concern about the fate of defense reform efforts which remain only partially implemented. Meanwhile, new Foreign Minister Mariano Fernandez was still in the United States during the announcement.

14. (SBU) Concertacion party leaders were also unprepared for the change: all four party heads interviewed confirmed that they had found out about the change via press reports. Two cabinet ministers did not make it to the swearing in of the new ministers, another sign that La Moneda managed to keep this cabinet change under wraps, unlike Bachelet's other cabinet shake-ups which have been typically preceded by much speculation in the press.

Telltale Signs

15. (SBU) Many analysts attribute Foxley's departure to ongoing "profound differences" with President Bachelet, highlighting a laundry list of Foxley's most difficult moments as Foreign Minister. These go back to 2006 with the contentious issue of Venezuela's candidacy for a position on the UN Security Council, which he opposed and she initially supported. Foxley's party, the Christian Democrats, strongly opposed Bachelet's Cuba trip, and it was widely reported that

Foxley himself opposed the visit from the beginning, though he never publicly aired his disagreement.

- 16. (C) Foxley's resignation appears to have been coordinated ahead of time with President Bachelet. In early March, Foxley moved up the presentation of a book he edited on Chile's foreign relations prior to its actual publication. Then Mariano Fernandez dropped out of a planned official visit to California for April, despite the fact that the Chile-California Plan has been a high priority of his during his time as Ambassador to the U.S. Finally, on March 6, Foxley announced that he would not be accompanying the President on her impending trip to India and was then unavailable during the weekend immediately following this announcement.
- 17. (C) Post has picked up from a number of sources that Foxley became increasingly frustrated in dealing with La Moneda. President Bachelet, Post has been told, consulted others on various issues related to his portfolio, as demonstrated by her recent Cuba trip, and Foxley was tired of his access to the President being impeded.

Vidal Shifted Away from Spokesman Role

- 18. (C) Francisco Vidal's shift to Defense came in the wake of a series of unpleasant gaffes in his spokesman role. Within the past month, La Moneda officials had to privately pull back Vidal's strident criticism of the U.S. State Department human rights report, with presidential advisor Marcos Robledo clarifying to the Ambassador that Vidal's comments did not represent the views of the government (Ref B). Vidal also entered openly into electoral politics from the podium, criticizing the electoral tactics of center-right presidential candidate Sebastian Pinera. Vidal's strident partisanship attracted widespread criticism from across the political spectrum.
- 19. (C) Meanwhile, Vidal had been interested in leading the Defense Ministry for a long time, MOD advisor Juan Esteban Montes told DATT and Poloff. Vidal attended the military academy for two years as a young man, but left before completing his military training. In 2007, he completed a three- to four-week military training course to become a

reserve officer, and Post believes he holds the rank of second lieutenant. (Note: Chile's reserve officer program is primarily designed to strengthen civilian-military relationships by providing prominent civilians with some military training and affiliation. End Note.) Montes described how Vidal's office is filled with model soldiers and military equipment that he keeps arranged in perfect order.

110. (C) Vidal's obvious interest in the job combined with his PPD membership made the defense position a serious option. (Note: Successive Concertacion governments have adhered to a carefully negotiated balance of high-level officials from the different Concertacion parties. The Defense Minister position has been designated as a PPD slot in Bachelet's government, just as the Foreign Minister has been reserved for a Christian Democrat. End Note.) However, there is some concern in the MOD that the right's strong dislike of Vidal could hinder MOD projects, such as proposed defense reforms. Montes suggested that MOD advisors and Undersecretary for War Gonzalo Garcia might attempt to keep Vidal away from the public face of controversial projects in order to avoid attracting excessive negative attention from the Alianza.

New Spokesperson Young, Hardworking, and Bright

112. (C) Montes described new GOC spokesperson Carolina Toha as a bright and hardworking member of the Chamber of Deputies who was well-respected but not particularly prominent in national politics. She had been president of the University of Chile Law School student association—a typical stepping stone to political prominence in Chile. Toha's PPD

membership and gender were likely helpful in her selection, as Bachelet has tried to maintain full- or near-gender parity on her cabinet and the spokesperson position had been promised to the PPD. Montes noted that Toha looked stressed and thin in her television appearances, and speculated that she was finding her legislative position to be overly taxing. Her family--including her two young children--is based in Santiago, but she and her husband, Fulvio Rossi, a Socialist member of the Chamber of Deputies, had to commute to legislative seats in Valparaiso 2-3 days a week.

Comment

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- 113. (C) While the precise timing of the announcement was a surprise to political insiders and even to many of the affected government officials themselves, Foxley had been profoundly disillusioned with the Foreign Minister position for some time. Meanwhile, for the past nine months, Mariano Fernandez (DC) and former Foreign Minister Juan Gabriel Valdes (PS) have been actively courting the President behind the scenes to succeed Foxley. Fernandez' capable management of the U.S. account and his Christian Democratic affiliation may have tipped the scales in his favor with a President eager to cement ties with the Obama administration and avoid controversy within the Concertacion.
- 114. (C) On the timing question, as a team-player who is strongly committed to the Concertacion, Foxley may have stayed on to demonstrate a united front prior to the President's controversial February trip to Cuba. Foxley's departure facilitated a move that both Bachelet and Interior Minister Perez Yoma sought with regard to Vidal. While Vidal remains a Bachelet confidant, his combative and provocative style as press spokesman was becoming a major political liability. Toha's appointment seeks to decrease media and opposition attention on the messenger and give more focus to Bachelet's policies and programs during her last year in office. End Comment.